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SUMMARY RECORD OF THE 5th MEETING

Chairman: Mr. HAMBURGER [redacted] (Netherlands)

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The meeting was called to order at 3.05 p.m.

GENERAL DEBATE (continued)

1. Mr. KA (Senegal) said that despite the fact that the cold war had ended, the world situation at the end of the century was much less stable than had been hoped. Certainly, the advances achieved in creating a climate of peace and cooperation had raised legitimate hopes of sharing in the dividends of peace. Nevertheless, those dividends, which could facilitate the work of social and economic development sponsored by the United Nations, had yet to appear. Many regions of the world continued to suffer from poverty, unemployment, disease, poorly controlled population growth and environmental deterioration, sometimes on an unprecedented scale.

2. Clearly, under the current conditions of interdependence, the attainment of lasting international peace and security depended fundamentally on the international community's ability to find practical solutions to those problems.

3. In Senegal's view, the series of major United Nations international conferences that would culminate in the World Food Summit had clearly reflected the closely interdependent relationships that existed among peace, development and the security of humankind.

4. Currently, all that was lacking was the political will to fulfil the commitments undertaken, by means of adequately mobilizing new and additional resources. The paradoxical result was that, in an era of continuously growing need, official development assistance was plummeting. In a world in which disparities in economic performance were deepening, the decline in international cooperation for development accentuated the gap between North and South.

5. Senegal reiterated the need to establish a new form of joint participation in development, sustained by common but differentiated accountability and by a genuine spirit of solidarity. That would entail envisioning a new world, definitively solving the debt problem, renouncing protectionist and isolationist measures, protecting the environment and universally applying transparent, non-discriminatory and equitable trade rules, as agreed to in the relevant international accords.

6. The mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s had revealed the great progress achieved by the African countries in the political, economic and social spheres, with the goal of creating and strengthening the framework necessary for sustained economic growth and sustainable development. Although several praiseworthy initiatives had been undertaken, such as the Tokyo International Conference on African Development, the international community had yet to fulfil the commitments it had made in connection with the implementation of the New Agenda.

7. In view of the collapse five years previously of the United Nations Programme of Action for African Economic Recovery and Development, the development partners of that continent should redouble their efforts to ensure that the New Agenda would not have similarly discouraging results. In any case,

the era of unfulfilled promises seemed to have definitively ended and the need to follow through was greater than ever before.

8. Africa wished to break out of the cycle of assistance and indebtedness, and hoped to open markets for its products in order to be able to take its rightful place in the world economy and finance the development process on its own. With that objective in mind, the African countries had initiated reforms to encourage private-sector initiative, mobilize domestic resources and attract foreign investors.

9. Finally, he called upon the partners in African development to recognize the significance of the silent revolution arising from the reforms in progress and highlighted the importance of the principles of solidarity and complementarity and of the spirit of joint participation that should govern international cooperation.

10. Mr. BACHARD (Niger) expressed his delegation's support for the statement made by Costa Rica on behalf of the Group of 77 and China and said that the ending of the cold war, the ratification by a large number of States of the Treaty on the Non-Proliferation of Nuclear Weapons and the approval of the Comprehensive Nuclear Test Ban Treaty marked a decisive step in the history of humanity. In that context, Niger invited the international community to continue to actively promote world peace. Nevertheless, such peace would not last without the adoption of concrete, radical measures to eliminate poverty and establish universally applicable rules of justice.

11. More than half the world's population lived in poverty, and the least developed countries suffered the worst consequences of that situation. In particular, the debt problem had increased to an intolerable level. That required a rapid and appropriate decision that would offer a solution to some of the crucial problems confront ng developing countries, especially the least developed among them.

12. Niger firmly believed that the means existed to achieve the well-being of the world's population and that the United Nations could act as a catalyst to that end. The financial and economic difficulties of developing countries derived mainly from political considerations affecting international investments, and not from a lack of cost-effective projects. The United Nations system should encourage investors to consider only the criteria of security and profitability in their initiatives for the production of goods and services. Financial speculation on the part of some countries of the North was causing false monetary devaluations and adversely affecting the terms of trade, to the economic detriment of the countries of the South.

13. The praiseworthy initiative of the Bretton Woods institutions to create a multilateral trust fund for alleviating the external debt of the least developed countries had nevertheless fallen short of meeting the expectations of those countries, which had hoped for the cancellation of their debt.

14. Increased official development aid was another major factor for the economies of developing countries and should be given urgent consideration. Without overlooking the need for States to increase domestic saving, official

development aid was one of the essential conditions for reviving the development process in the least developed countries. The developed countries' contributions should therefore reach the level of 0.7 per cent of gross national product laid down in General Assembly resolutions. He welcomed the efforts of certain Member States to fulfil their commitments.

15. Urgent consideration should also be given to the implementation of the Marrakesh agreements, within the framework of the World Trade Organization (WTO). Carrying out infrastructure projects and providing technical and financial aid to enable developing countries to implement a policy of export diversification, both horizontal and vertical, would provide those countries with the means to achieve effective economic development.

16. At recent major United Nations international conferences, it had been clear that the world community had become aware of the realities of life of peoples in certain parts of the world. Even so, most political decision makers and the peoples of many countries were unaware of the exact significance of the political, economic and social mechanisms leading to absolute poverty in some countries. In order to remedy that ignorance, it was vital that the United Nations should elaborate new working methods to further increase awareness among decision makers, such as parliamentarians, civil society and peoples, by giving them more information on United Nations activities and on the status and mechanisms of multilateral cooperation.

17. Programmes about the United Nations shown by the mass media were insufficient. The number of hours of such programmes should be increased, and press articles should be published in every country. Direct contact should also be promoted among peoples, through their parliamentary representatives and other authorities. In short, international information on developing countries should cease to reflect solely the major problems afflicting them; it should also deal with the causes of those problems.

18. Mr. JAYANAMA (Thailand) supported the views expressed in Costa Rica's statement on behalf of the Group of 77 and China, as well as those contained in the ministerial declaration adopted at the 20th Annual Meeting of the Ministers for Foreign Affairs of the Group of 77 and China.

19. His delegation was encouraged by the continued expansion of the economies of the developing countries and the positive achievements which had also taken place among least developed countries in Africa and Asia. Those favourable trends should encourage all Member States to intensify international cooperation.

20. Although it had been said that global economic growth was the result of the globalization of the economy, the international community should be fully aware that that process was limited largely to interaction among the private sectors of those countries, and that their sole objective was to make profits. That contrasted with public-sector objectives, which were broader because, depending on the stage of development of their countries, Governments had different priorities and pursued different policies on many important economic and trade issues, including how to achieve sustainable development. Consequently, there

was no common view on globalization, and intergovernmental cooperation within the framework of the United Nations was more difficult.

21. As for the relationship between economic growth and sustainable development, Thailand, which had established that there was a strong linkage between economic growth and human development, saw the former as an indispensable factor for human development and sustainable development as a whole.

22. Nonetheless, sustained economic growth could only take place with the implementation of consistent macroeconomic policies and other government decisions. There must be domestic political will at the national level and commitment to development by peoples and their leaders. A favourable international environment was also necessary.

23. Concerning the current negotiations on the reform of the United Nations, he recalled that during the previous year's debate in the Second Committee, his delegation had expressed its dissatisfaction at the absence of a common political will regarding international cooperation, particularly the role of the United Nations in development. The divergence of views had also obstructed the implementation of General Assembly resolution 50/227. In addition, an agenda for development, which would provide an outline for reform of the role of the United Nations in the area of development and a framework for international cooperation, had yet to be completed. His delegation considered that those two important tasks should be concluded and implemented as soon as possible. He urged all Member States to show maximum flexibility in the negotiations on an agenda for development and to concentrate on issues on which agreement had not yet been reached.

24. His delegation considered that the Second Committee's work should be focused on reviewing the implementation of recommendations produced by major United Nations conferences relating to development. All Member States should examine the progress or setbacks of international cooperation in the areas of environment, population, job creation, technology transfer, capital movements, international trade and South-South cooperation.

25. Ms. RAMIRO-LOPEZ (Philippines), having associated her delegation with the statement made by Costa Rica on behalf of the Group of 77, said that human development entailed the full realization of the potentials and capabilities of human beings, in harmony with the environment and sharing the fruits of prosperity. Although her delegation did not agree with all the conclusions contained in the Human Development Report produced by the United Nations Development Programme (UNDP), she recognized that the development of the Human Development Index, as well as the report itself, constituted a serious and laudable effort to better reflect development and to give shape to the concept of sustainable human development. In that respect, the Index could perhaps be expanded to include some indices relating to the environment, such as levels of pollution. In promoting sustainable human development, account should be taken of the fact that links between economic growth and human development should be forged with political will and determination, so that they could be mutually reinforcing and so that economic growth could improve sustainable human development.

26. The East Asian countries had invested heavily in human resource development, which had contributed to the achievement of sustained economic growth for over a decade. The Philippines had oriented its efforts towards developing the potentials of its peoples and safeguarding their well-being, as could be seen in socio-economic programmes directed towards the disadvantaged sectors of society. Those programmes were beginning to bear fruit: the level of absolute poverty had been reduced while per capita income had increased; economic growth had been sustained; the debt service ratio had decreased in relation to exports; and the Philippines had re-entered the private capital market in order to seek sources of external financing.

27. In order to promote sustainable human development to achieve real prosperity, economic growth in developing countries must reach between 5 and 9 per cent. A supportive international economic environment characterized by openness in the global economy and consideration of the needs and conditions in the developing world would be necessary to achieve that goal. However, the international community should guard against forces that inhibited the broadening of benefits from globalization and ensure that it led to steady increases in exports where the developing countries enjoyed a comparative advantage, especially in labour-intensive areas. Protectionist measures were unacceptable, whether in the guise of subsidies, environmental protection, labour rights or sanitary standards.

28. Preferential treatment should be given to the exports of developing countries, with special attention being paid to the situation of the least developed countries. In East Asia, where benefits had been obtained from trade liberalization and capital flows from abroad, the sustainability of those flows must be ensured and ways to explore their extension to the developing world in general must be studied.

29. Considering the impact of the monetary policies of the developed countries on the entire world, her delegation took note of the efforts of the group of seven major industrialized countries to strengthen the international monetary system through better coherence of their macroeconomic policies, in line with the appeal made in the International Development Strategy for the Fourth United Nations Development Decade.

30. Although it was true that there was no automatic link between economic growth and human development, the developing countries were caught in a vicious circle, because sustained economic growth was also doubtful in the absence of a certain level of human development. Those countries either stagnated economically, realized marginal growth, or took a much longer route to sustained economic growth.

31. Finally, she urged the donor countries to meet as soon as possible the target of 0.7 per cent of GNP for development assistance, which was an essential part of the cost-sharing needed in order to implement fully the priorities established at the various international conferences on development. She also drew the attention of the international community to the debt problem of developing countries, especially the least developed countries. Solving that problem would require more than the flexibility offered under the Naples terms, and she stressed that the consensus reached in the negotiations should provide

appropriate support to those countries' efforts to achieve sustained economic growth and sustainable development.

32. Mr. GLAVANAKOV (Bulgaria) said that his delegation supported the statement made by the representative of Ireland on behalf of the European Union and associate countries. Bulgaria welcomed the streamlining of the activities of the relevant bodies and agencies in the United Nations system, in accordance with the concept of sustainable development. Sustainability, in its global context, embraced the economic, environmental, social and humanitarian dimensions of development. In recent years there had been a general trend towards globalization and liberalization, which offered new opportunities and challenges for all States, allowing them to benefit from their own comparative advantages through free and fair trade.

33. Bulgaria attached particular importance to its full integration into the world trading system as a prerequisite for sustained economic growth and development, and to the integration of countries with economies in transition into the world economy. The level of foreign investment flows in the economies of such States and access for their products to the markets of developed economies were still insufficient to generate sustainable economic growth. In his delegation's view, the United Nations should intensify its efforts to support the process of integrating countries with economies in transition into the world economy on the basis of each country's respective stage of transformation and restructuring, encouraging the establishment of private businesses and market-oriented management of State-owned enterprises. Those elements, along with systematic coordination of the activities of the United Nations, international financial institutions and the World Trade Organization (WTO), should be taken into account in designing programme activities in the countries in transition.

34. Another matter closely related to sustainable development was the issue of foreign debt, which the international community should continue working to overcome, since it was an obstacle to sustainable development in various countries and regions of the world.

35. His delegation noted with satisfaction the adoption of General Assembly resolution 50/227. The specific problems of the countries with economies in transition, however, could be reflected more thoroughly in the agenda of a substantive session of the Economic and Social Council and its subsidiary bodies.

36. The special session of the General Assembly in 1997 for the appraisal of the implementation of Agenda 21 and of the results of the United Nations Conference on Environment and Development should be properly prepared in order to achieve its goal. His delegation was satisfied with the successful work completed by the Commission on Sustainable Development at its fourth session, especially the review of all chapters of Agenda 21 in the context of its first multi-year thematic programme of work. It shared the opinion that the special session should not attempt to renegotiate Agenda 21, but should focus on its further implementation. Bulgaria supported the principle of common but differentiated responsibilities, bearing in mind the economic and technological potential of the different States. The exchange of environmentally sound

technologies should be further liberalized so as to enable the developing countries and the countries with economies in transition to fulfil their obligations successfully.

37. Another relevant issue in the context of sustainable development was special economic assistance to third States adversely affected by the implementation of Security Council economic sanctions. The suspension of sanctions did not eliminate their long-term negative consequences for the economies of affected third States even though the participation of such States in the ongoing peace process, and, together with other partners, in the post-conflict reconstruction and rehabilitation of the crisis-stricken areas did partially alleviate the negative impact of sanctions.

38. The practical steps aimed at rendering concrete assistance to affected third States remained highly insufficient, however. Bearing in mind the seriousness of the problem, Bulgaria intended to resubmit a draft resolution on the subject at the current session of the General Assembly. The promotion of active economic cooperation in the region was a way to help in alleviating the negative impact of sanctions. In July 1996 Bulgaria had convened a conference of the Ministers for Foreign Affairs of the Countries of South-Eastern Europe, at which a variety of possibilities for intensifying regional cooperation in various fields had been discussed, including cross-border infrastructure, promotion of trade and investment, and cooperation in combating organized crime and illicit drug trafficking. The results of the conference were outlined in the Sofia Declaration, issued as an official United Nations document (A/51/211-S/1996/551).

39. Mr. SIKRA (Slovakia) said that changes in the global economic and political structure had led to the emergence of new challenges and opportunities for the international community. The economic performance of the countries of Central and Eastern Europe in 1995 had been mixed. In some countries, mainly the members of the Central European Free Trade Agreement (CEFTA), considerable progress had been made in the transition from central planning to a market economy and growth rates of the gross domestic product (GDP) of between 5 and 7 per cent had been achieved. Slovakia's economy had boomed in 1995, with the GDP increasing by 7.4 per cent. The process of transformation to a market economy had basically been completed, as shown by the fact that the private sector accounted for almost two thirds of the GDP in 1995. The National Bank was strongly committed to low inflation and stable currency targets.

40. With regard to regional economic integration, Slovakia had signed an association agreement with the European Union (EU) in 1993. That agreement had entered into force in 1995 and had opened the way to expanded trade with EU. Slovakia was also a party to an agreement with the Central European countries to lower and eliminate trade barriers beginning in 1997. Slovakia supported modern models of sustainable production and consumption and the principles of sustainable development, and, in that connection, recognized the need to seek solutions to environmental problems in a pan-European and global context.

41. His Government attached great importance to the activities of regional and international bodies of the United Nations system, such as the Economic Commission for Europe (ECE), which in spite of its scarce financial and

personnel resources, was carrying out valuable work. ECE should continue to prepare independent in-depth analyses of economic growth in the countries in transition and provide assistance to those countries, especially for the implementation of wide-ranging economic reforms and the promotion of the integration of those countries in the European and world economy. ECE should collaborate in activities in which pan-European cooperation was required and which could not be carried out by subregional associations or other international organizations.

42. The ninth session of the United Nations Conference on Trade and Development (UNCTAD) had shown UNCTAD to be the most suitable forum for the integrated solution of problems involving trade in services and raw materials, investment, technology, enterprises and trade facilitation. The ninth session had been a historic success in bringing about reform which would facilitate the integration of developing countries in the international trading system. In that connection, cooperation between the CEFTA countries was a good example of participation by developing countries in a multilateral trading system and their integration in the global economy. It should be noted that the CEFTA countries provided the developing countries with a very liberal Generalized System of Preferences (GSP), with specific advantages for the least developed countries.

43. His country paid special attention to cooperation with the United Nations Industrial Development Organization (UNIDO), which was in a period of consolidation of reform. It welcomed the assistance it received from UNDP both in the area of economic restructuring and in the area of human resources development. His delegation agreed with the general policy of UNDP to allocate the bulk of its resources to countries with per capita GDP lower than $750, but believed it was necessary to continue to support development programmes in the countries in transition.

44. As far as the Second Committee itself was concerned, his delegation supported rationalization of its work and efforts to define more clearly the work of the Second and Third Committees. In that connection, it believed that the General Committee of the General Assembly should ensure better coordination and harmonization of the work of those two Main Committees and determine where duplication in the consideration of items was inevitable and where it was useless. His delegation likewise supported the view that the Economic and Social Council should remain the main body for management of the economic and social activities of the United Nations and that its efforts should be focused on policy-making rather than on management of specific operations. It supported in principle the proposals for reform of the Council contained in the Secretary-General's "Agenda for Development".

45. Mr. THEOPHYLACTOU (Cyprus) said that the Second Committee should tackle pressing international economic issues that affected developed and developing countries alike. For the latter countries, such issues were not only crucial but often determined the very survival of their peoples. There was no doubt that the development of Africa should be a high priority and, in that connection, his country welcomed the recent entry into force of the Convention to Combat Desertification. It trusted that the United Nations New Agenda for the Development of Africa in the 1990s, the mid-term review of which had been concluded recently, would be fully implemented. His country had always

supported, to the extent it was able, initiatives for the development of Africa and would continue to support all international initiatives for the eradication of poverty and the promotion of social and economic development and sustainable human development in Africa.

46. His country was also engaged in regional cooperation schemes in the Middle East and the Mediterranean region and provided assistance to Central and Eastern European countries for their reconstruction. His country's main objective was the achievement of social justice in conditions of economic freedom and democracy, constant improvement of living standards and an equitable distribution of wealth.

47. Although Cyprus was doing well in the economic sphere, he wished to point out that the dire economic situation in the Turkish-occupied parts of the island affected all Cypriots, but especially the Turkish Cypriots. Despite the continuing invasion and occupation of a substantial part of its territory, Cyprus was a sponsor of various useful meetings and seminars dealing with a wide range of economic and development issues, and, in that connection, his delegation agreed that a "new and equitable partnership" must be based on equality and that economic cooperation for development must be the central objective of that process. Economic and social development and environmental protection were mutually reinforcing elements and led to sustainable development. In that connection, his country looked forward to the preparations for the special session of the General Assembly on the review and implementation of Agenda 21.

48. Small States must rally together on economic and development issues. His country had been successful in bringing together experts from small States to address common problems and seek solutions through partnership. Because of the small size of their economies, their limited natural wealth and their dependence on a small number of commodities, small States were especially vulnerable to outside risks. Increased cooperation could help those States to have a stronger voice in world markets and international forums. He consequently urged the prompt implementation of the policy recommendations of the Global Conference on the Sustainable Development of Small Island Developing States, which had been held in Barbados. He pledged his country's support for appropriate follow-up of major United Nations conferences and expressed the strong belief that what was important was practical implementation, not simply taking decisions.

49. Mr. MAHUGU (Kenya), after endorsing the statement made by Costa Rica on behalf of the Group of 77 and China, said that while current economic indicators revealed widespread world economic growth, with the developing countries having registered an aggregate GDP growth of over 5 per cent, that growth rate concealed sharp regional, subregional and national differences. Although Africa had registered a positive GDP growth rate of 2.7 per cent, many African countries were still among the poorest in the world, and, according to the World Economic and Social Survey, 1996, the improved economic performance of the African continent was a short-term phenomenon which in some cases was being offset by the high population growth rate. Therefore, unless it accelerated, economic growth would not be sufficient to bring about a significant alleviation of poverty in the region.

50. Many developing countries were continuing to implement structural adjustment programmes, which had adverse effects on the social sector. Kenya was committed to the implementation of comprehensive structural reforms with a view to achieving long-term economic growth and sustainable development. However, although Kenya's economy was fully liberalized and the reform measures had created an enabling environment for the promotion of investment, Kenya's economy remained vulnerable to an unfavourable external economic environment because of low commodity prices and declining financial resource flows. Reform efforts should therefore be matched by international commitment, understanding and support from development partners.

51. The multilateral and bilateral debt of the developing countries was a major obstacle to economic growth; his Government believed that an early consensus on effective debt relief, reduction and possible cancellation would go a long way towards alleviating that problem. The external debt burden was being exacerbated by the dismal participation of a majority of the developing countries in world trade, deteriorating terms of trade and net negative transfer of resources from developing countries to developed countries.

52. Consequently, in order to achieve economic growth in the developing countries, their commodities must have access to international markets so as to bring about an increase in export earnings. In that connection, it was essential for WTO to assist in the establishment of a system that would uphold the rights and interests of the weaker countries. Compensation should also be provided to the developing countries which encountered short-term losses as a result of the implementation of the Uruguay Round agreements. In addition, Kenya believed that the ministerial conference of the member countries of WTO to be held shortly in Singapore should take stock of the Uruguay Round agreements and their implications for the multilateral trading system, discarding new concepts that linked trade measures to domestic standards in the spheres of the environment and labour laws.

53. The United Nations should continue to play a fundamental role with a view to achieving consensus on international economic cooperation. In that respect, it was significant that the agenda for development which was currently being formulated by the General Assembly enhanced the relationship between the United Nations and its specialized agencies in order to foster sustained economic growth and development. It would be preferable for cooperation between the United Nations and the Bretton Woods institutions to be carried out through the Economic and Social Council, whose organs should be strengthened in order to follow up effectively the programmes of action agreed upon at the international conferences.

54. The series of global conferences held in recent years had made it possible to create a new vision of development. The most recent conference, HABITAT II, had endorsed the necessity for quick action in addressing the need for adequate shelter for all as well as sustainable human settlements. The achievement of those objectives required a strengthening of the role of the United Nations Centre for Human Settlements and the provision, by the international community, of new and additional resources from domestic and international sources.

55. The World Food Summit was a fitting end to that series of conferences and a bridge into the future because it addressed the primary needs of all mankind and proposed solutions for food security and sustainable agricultural development at the global level. His delegation strongly supported the efforts made so far by the Secretary-General of the summit and hoped that the clear objectives of the summit would galvanize the support of the international community for food and agricultural issues in future years.

56. Kenya was committed to regional economic integration and cooperation; a new chapter had been opened in that process in Africa with the entry into force of the Abuja Treaty establishing the African Economic Community in 1993. Through the ratification of that treaty, the Preferential Trade Area for Eastern and Southern African States (PTA) had been transformed into a Common Market for Eastern and Southern Africa (COMESA), which had implemented vital programmes on tariff reduction and harmonization, transport and communications.

57. Efforts to integrate the economies of Tanzania, Uganda and Kenya were another milestone in the subregion. The three Heads of State had agreed on steps to be taken to that end and the harmonization of the various aspects of cooperation and integration was already underway in the areas of trade, transport and communications, finance, investment and subregional immigration and security.

58. Convinced that economic cooperation among developing countries was a vital means of widening the scope of international cooperation and accelerating the economic growth and productivity of developing countries, the member States of the Intergovernmental Authority on Development (IGAD), namely Djibouti, Eritrea, Ethiopia, Sudan, Uganda and Kenya, had recently revitalized that body and expanded its mandate to include issues of development and conflict prevention, management and resolution. Kenya appealed to all its development partners to complement those efforts with technical and financial support in order to facilitate the effective implementation of the programmes and projects for Africa's economic integration.

59. Mr. AHMED (India) said that his delegation associated itself with the statement made by Costa Rica on behalf of the Group of 77. The international economy was displaying mixed characteristics: in the case of the developed countries, there were prospects of continued cyclical expansion, but there were also fears of inflation and resulting suggestions to contain growth rates, and there was increased unemployment and slow progress in the structural transformation of economies; in the case of the developing countries, there were significant growth rates and a greater contribution to world trade, but also problems of poverty, lack of infrastructure, human resources and technological strength.

60. In 1996 his Government had adopted the Common Minimum Programme, which entailed a continuation of the liberalization and reform programme. Greater attention would be paid to the needs of social development and the empowerment of underprivileged communities and sectors with the aim of eradicating absolute poverty by the year 2005.

61. As had been recognized in recent major conferences convened by the United Nations, the development of developing countries required a favourable international economic environment including enhanced financial flows, better access to markets in developed countries and access to technology on a non-discriminatory, concessional and preferential basis. However, very few concrete measures had been taken in that respect, and in that regard it was encouraging to note that those issues would be discussed at the high-level segment of the Economic and Social Council in 1997.

62. Nor could the need for a substantial increase in official development assistance be disputed. Despite the commitments made at the United Nations Conference on Environment and Development on the provision of new and additional financial resources and the action agreed to within the framework of the follow-up to the Rio Conference and at the World Summit for Social Development with a view to eradicating poverty, levels of official development assistance continued to be on the decline and the target contribution of 0.7 per cent of the gross national product of developed countries had become a virtual chimera.

63. His delegation welcomed the recent initiative to tackle the problem of multilateral debt and to enhance rescheduling by the Paris Club; however, the approach must be broadened, bearing in mind the requirements of economic growth and social and environmental sector investments. There was still a pressing need to find an early and lasting solution to all types of debt which also took into account the problems and requirements of individual countries. Special attention should also be focused on low-income countries and on those that were tackling the problem of widespread poverty; in that connection, schemes such as debt-for-environment and debt-for-social development swaps should be considered.

64. Those efforts must be supplemented by measures to accelerate the flow of private investment to developing countries through the use of such instruments as guarantees, co-financing and insurance schemes by the international financial institutions. Efforts could also be made to develop physical and economic infrastructure and human capital in order to attract and absorb foreign investment flows. At the same time, ways must be found, including through the International Monetary Fund (IMF), to tackle problems arising from the potential volatility of some of the private capital flows and the resulting destabilization in recipient countries.

65. Although many donors attributed the lack of development to policies that did not allow the market to function properly or entrepreneurship to flourish, in the past few years, many developing countries had introduced market-oriented reforms. Ironically, however, they had become more dependent on the vagaries of the international economic system. The United Nations should test the mechanisms governing the flow of trade, money, finance, technology and information to developing countries in order to identify remedial action as appropriate. Developing countries should also be more involved in international macroeconomic policy-making.

66. The first Ministerial Conference of the World Trade Organization (WTO), to be held in Singapore in December, would provide a good opportunity to seek a deepening of trade liberalization in respect of sectors of comparative advantage for developing countries, such as agriculture, textiles and clothing, footwear

and leather goods. It would also be an opportunity to focus attention on the implementation of the weighty Uruguay Round package. On that occasion, new issues, such as those relating to the social clause and the multilateral agreement on investment, trade and competition policy, should be avoided; they were complex, controversial and could adversely shift the balance against developing countries.

67. Those issues should be clearly understood in a forum such as UNCTAD before they were submitted to WTO. Their consideration required focusing on the asymmetry in the current trade system between the rights of private operators and the obligations of Governments. In addition, genuine liberalization of trade must be broad and include the movement of labour across national borders.

68. Further deepening of the development process would require an internationally agreed framework that would facilitate the stable, non-discriminatory and reasonable access of developing countries to technology, on the basis of a more transparent, critical and objective evaluation of the restrictions imposed on the grounds of alleged "dual use". Proposals for setting up technology transfer rights banks and information networks on proven and environmentally sound technologies should be pursued.

69. Lastly, he wished to note the challenges to the role of the United Nations in the areas of development and economic growth, which were bound to intensify in the context of the Organization's current budgetary constraints. Unfortunately, the pressure for the arbitrary reform, restructuring and downsizing of the activities of the United Nations in the economic and social sectors continued; however, it must be borne in mind that its role in achieving peace and security could not be enhanced if its development functions were diluted.

70. Ms. KEW (Malaysia) echoed the comments of other delegations concerning the deplorable situation of developing countries owing to their marginalization by the globalization process, coupled with their unsustainable levels of debt and the fact that more resources had to be allocated to debt-servicing than to financing basic programmes for health, education and humanitarian relief essential for their development.

71. The situation was compounded by the reduction in assistance from industrialized countries, by cutbacks in pledges to replenish resources for international development assistance and by the unwillingness to liquidate earlier arrears. Although the Bretton Woods institutions had the specific mandate of facilitating development and regulating the international monetary system, they were acting more as debt collectors for the wealthy countries of the North. In 1995, the World Bank had collected a net amount of $7.2 billion in debt repayment over and above what it had disbursed in aid to the poor indebted countries, and had earned a profit of nearly $1.5 billion. Her delegation wished to reiterate that the eradication of poverty was the centrepiece of all international efforts to achieve economic and social development, and stressed the need for urgent reform of the Bretton Woods institutions.

72. Her delegation strongly supported the globalization of international trade, but questioned the manner in which the industrialized North used it in order to preserve its economic dominance over the South. That was clearly illustrated by the efforts to frustrate initiatives to form regional consultative forums on trade and economic issues. During the Uruguay Round negotiation process, the developing countries had discovered that the wealthy countries of the North had expanded the agenda and promoted liberalization in economic areas where they clearly had an advantage, in particular financial services and investments. She also noted efforts to deny whatever competitive edge the developing countries might have. That could be seen in the move to link trade and labour standards, not out of concern for the well-being of workers in poor countries, but rather as a protectionist measure against the growing and competitively priced imports from the South.

73. Concerning technology transfer, the countries of the North insisted that all States members of WTO should promulgate national laws to protect intellectual property rights, which, in effect, meant legal protection of the technological monopoly of the North, curtailing the right of developing countries to have access to new technologies. Under such circumstances, it was not surprising that the developing countries believed that globalization simply meant the breaking down of national borders so that those with capital and goods could dominate the markets.

74. Malaysia hoped that the basic focus of the Ministerial Conference of WTO, to be held in Singapore in December 1996, would be on reviewing the implementation of the Uruguay Round results and not on considering new issues that were not within its competence, such as multilateral investment rules, competition policy and trade and labour standards. WTO and the developed countries should consider as a matter of priority assisting the developing countries in order to enhance their ability to benefit fully from opportunities arising from the Uruguay Round. Another priority issue was the enlargement of WTO membership by expediting the admission of countries that were at various stages of the process, thereby giving a truly global character to the new multilateral system.

75. Malaysia fully subscribed to the concept of sustainable development. Although it acknowledged the critical role of national policies in that regard and the Organization's efforts to raise awareness in the world community, it believed that sustainable development required a favourable international economic environment. Like many developing countries, it was disappointed by the shortage of financial resources and by the developed countries' failure to contribute, in clear and specific terms, the new and additional financial resources required for the successful implementation of Agenda 21.

76. Malaysia was also concerned because the availability of funds and access to international funding to carry out environmental programmes and projects in developing countries were often subject to conditions which were irrelevant and which could not be met by the recipient countries.

77. In Malaysia's view, the funds needed to achieve sustainable development should be obtained through the establishment of a global system of levying taxes in proportion to each Member State's consumption of resources. The Commission

on Sustainable Development should be the institutional mechanism that monitored the flow of resources for development from the countries of the North to those of the South.

78. Malaysia, which also supported the convening of a special session of the General Assembly to appraise the implementation of Agenda 21, felt that the debates of that session should analyse compliance with the commitments made thus far, instead of continuing to discuss general aspects of sustainable development.

79. Lastly, she raised two more issues. The first was the problem of the information technology gap between developed and developing countries. Owing to the rapid advances being made in that field, the gap would continue to widen unless the international community took specific steps to address the situation. The second issue was the need to recognize the role of the private sector in development. Malaysia felt that there was an increasing need for the public and private sectors to share the burden of national development. In Malaysia, the role of the private sector as the engine of growth had resulted from a deliberate national policy. Therefore, discussions of development in general were incomplete unless they took the private sector's role into account.

80. Ms. BULENOVÁ (Czech Republic) said that she supported the statement made by Ireland on behalf of the European Union and its associate countries and that the many achievements of global significance which had been made in the increasingly complex modern world were accompanied by lasting problems. Moreover, there was a certain political and economic instability related to the growing tendency towards nationalism and isolationism in some countries.

81. International multilateral forums were best suited to tackle the problems and possible impacts of globalization and liberalization for both developed and developing countries, but those institutions were losing their credibility and suffered from a lack of funds and financial discipline. It was therefore important to strengthen confidence in the United Nations system and to reaffirm its global role in providing policy guidance. In that connection, adjustments to the system were insufficient, since the outcome of the process also depended on the efforts and attitudes of all Member States.

82. Her country felt that efforts should focus on a number of areas. First, the Organization's financial resources should be restructured and the efficiency of its operations should be improved. Second, an international legal framework should be established for economic cooperation, including economic security. Third, the multilateral system should be strengthened; in that regard, the ministerial meeting of the World Trade Organization (WTO), to be held in Singapore, would focus on improving market access for developing countries and on the contribution of regional cooperation to the global integration process. Fourth, new forms of cooperation between developed and developing countries should be found. A good example of such cooperation had been the establishment, by the International Monetary Fund (IMF) and the European Bank for Reconstruction and Development (EBRD), of a special fund of $0.5 billion to facilitate write-offs of the debts of poor countries.

83. In addition, capacity-building, good governance, institutional reforms and better access to markets could facilitate the integration of poor countries into the world economy. Other initiatives, such as the one on poverty eradication in Africa and the United Nations New Agenda for the Development of Africa in the 1990s, were positive, but would bring only temporary assistance to the countries concerned.

84. General Assembly resolution 50/227 represented a major step forward in terms of reforming the United Nations in the economic and social fields, and the Czech Republic participated actively in its implementation. Streamlining the hierarchical structure of United Nations bodies in the economic and social spheres, enhancing the efficiency of the Economic and Social Council and redistributing the agenda items covered by the Council and by the Second and Third Committees were urgent tasks. The positive experience with the Second Committee's programme of work, including panel discussions, should be utilized in preparing for the following year's substantive session of the Economic and Social Council.

85. The Czech Republic strongly supported the vigorous implementation of General Assembly resolution 50/120, since it would simplify and harmonize procedures and documentation, as well as monitoring and evaluation, which were important components of the United Nations reform effort.

86. She greatly appreciated the work of the United Nations Development Programme (UNDP) Regional Directorate for Europe and the Commonwealth of Independent States, which had established new and more effective cooperation mechanisms and had brought its services closer to the region. Her Government would welcome a more flexible approach, within the limited resources of UNDP, which would strengthen the outcome of regional programmes and projects, and was increasingly interested in extending its support to intraregional cooperation for development and in promoting the interregional exchange of ideas and experiences in the area of technical cooperation.

87. The Czech Republic closely monitored progress in the area of sustainable development and welcomed the outcome of the most recent session of the Commission on Sustainable Development. As a result of the Commission's fruitful work, the concept of sustainable development had systematically permeated the agendas of United Nations bodies and specialized agencies, as well as those of other multilateral organizations. She was pleased that increased attention was being paid to production and consumption patterns and to issues of education for sustainable development, and praised the establishment of the Open-ended Ad Hoc Intergovernmental Panel on Forests.

88. On the other hand, her country shared the concern of a number of States with respect to other activities that followed up the United Nations Conference on Environment and Development and the mission of the Commission on Sustainable Development. Despite considerable efforts, the Commission had been unable to balance viewpoints and to catalyse decisive action by the international community, not only on financial resources but also on other cross-sectoral issues such as the transfer of environmentally sound technologies, economic instruments for sustainable development and the relation between international

trade and the environment. In her country's view, the Commission could better fulfil its mandate by emphasizing cross-sectoral issues.

89. Mr. PARK (Republic of Korea) said that the globalization of the economy since the end of the cold war had been marked by three distinct features: a deepening linkage between the economies of developed and developing countries, and intensified competition for economic excellence; the emergence of a new consensus on the importance of a market-oriented development strategy, and enhanced economic performance by those developing countries which had pursued a market-oriented and linkage-intensive development strategy; and the increasing marginalization of some developing countries, particularly the least developed and some African countries.

90. After reviewing IMF statistics constituting positive indicators of the economic performance of the developing countries, he said that the deepening linkage to which he had referred had indeed revitalized the economies of many developing countries, but had also triggered fear and mistrust both in developed countries, where some worried that cheap imports from developing countries would contribute to domestic unemployment, and in developing countries, where there were fears that indigenous industries would be destroyed by foreign multinational rivals, or that developed trading partners would use labour and environmental standards as an excuse for protectionism.

91. The role of the United Nations was to enhance trust between the North and the South by proving that a stronger linkage was beneficial to both partners and by improving the understanding of the dynamics of economic interaction on both sides. Sustained economic growth in the developing world was an increasingly realistic prospect. If current positive trends continued, and special programmes were implemented to assist marginalized countries which did not yet share in the benefits of globalization, it would be possible to establish a more equitable and mutually beneficial partnership between developed and developing countries. The United Nations should emphasize the formulation of policies aimed at fostering a consensus on development strategy as a vital step towards the building of a new global partnership, and should develop specific programmes to assist the least developed countries - most of which had yet to benefit from increased flows of private capital - and the African countries, which were suffering from a heavy debt burden and a lack of basic infrastructure for development. It should not be forgotten that the market had its own limitations and that investment was not always attuned to development needs.

92. His delegation welcomed the adoption of General Assembly resolution 50/227 and believed that the United Nations should strengthen its role in defining and promoting a new development strategy marked by increased cooperation between the United Nations and the Bretton Woods institutions; moreover, the capacity of the Economic and Social Council to implement major decisions on international economic issues must be strengthened. The efforts of individual organizations to restructure and enhance their own effectiveness, as in the case of UNCTAD and UNIDO, were also important.

93. The Open-ended Working Group on an Agenda for Development had not been able, despite its achievements of the past three years, to reach a final conclusion on the issue of development, which had emerged as a priority concern

of the international community; accordingly, it was appropriate that the Group's mandate had been extended until the end of the current session. It was to be hoped that developed and developing countries would reach agreement on Part III, concerning institutional issues, which could establish a paradigm for a global development partnership.

94. The Commission on Sustainable Development, whose establishment had been one of the most important results of the Rio Conference, played a vital role in mobilizing a political commitment to safeguard the environment and was promoting sustainable consumption patterns, a particularly relevant issue in view of the threat to the environment posed by the culture of mass consumption fostered by the market mechanisms that were being introduced into the developing world.

95. It was to be hoped that the special session of the General Assembly devoted to an appraisal of the results of Agenda 21 would contribute to forging a global partnership for sustainable development which would promote progress in the areas of financing, technology transfer and vital sectoral issues.

96. His country, which had continued to increase its official development assistance and would do so in the future, planned to make large contributions to the eleventh replenishment of the International Development Association; it had also increased the cooperation funds of the Economic and Social Commission for Asia and the Pacific (ESCAP) and the Economic Commission for Africa (ECA). In the same spirit, the Korea International Cooperation Agency had collaborated on various projects with countries in Latin America and other regions, and the Government had worked jointly with UNDP and the World Health Organization (WHO) to establish the International Vaccine Institute in Seoul, which would be dedicated to building the capacity of developing countries to develop and use vaccines, particularly for children and low-income persons. Such actions reflected his country's determination to continue making a contribution to the establishment of a global partnership for development and the promotion of sustainable development, which was one of the main missions of the United Nations.

97. Mr. MWAKAWAGO (United Republic of Tanzania) said that the international community was looking forward to the twenty-first century with a mixture of hope and despair: hope for the opportunities created by the liberalized and globalized markets of the future, and despair over the persisting high levels of poverty, especially in developing countries, which could undermine the advantages deriving from expanded markets and global partnership, unless the vicious cycle of poverty was broken and a process of economic recovery and growth was initiated.

98. Despite the adoption of wide-ranging adjustment programmes, most developing countries could not sustain their economic policies and programmes, and were unlikely to be able to stem the decline of their economies and promote recovery and growth without sustained international cooperation which could trigger a flow of additional resources. That was particularly urgent at a time when the forces of globalization and liberalization were becoming the driving force in world trade. It was necessary to look closely at the policies that should be applied by all actors at all levels to ensure that the development process did not relegate the developing countries to the margins of the world economy and to

facilitate foreign direct investment in a manner that contributed to sustained economic recovery and growth.

99. Since 1992 there had been a series of major United Nations conferences aimed at promoting the well-being of humanity. What was required now was coordinated implementation of those decisions at both the national and international levels. In that process, the critical element was the provision of new and additional financial resources to developing countries, particularly the least developed countries. The decline in official development assistance and the restriction of capital flows were therefore a serious cause for concern. While the primary responsibility for development remained with the developing countries themselves, they required the cooperation and solidarity of the international community in order to mobilize additional resources to support national efforts.

100. One of the problems that affected developing countries in their development efforts was the question of external indebtedness. Long-term solutions to that problem were nowhere in sight since the strategies adopted thus far had had limited success. The question of the external debt of developing countries must be considered in realistic terms - including its possible cancellation - in order to balance the obligations of the debtor countries and their ability to sustain reform and growth. It was now increasingly accepted that many developing countries could not service their external debt and at the same time set aside resources to fund the reforms and economic restructuring that were necessary in laying foundations for long-term sustainable development. In that regard, he urged the Paris Club creditors to recognize that, for their initiative to have a positive impact, it was important to go beyond the Naples terms for the heavily indebted poor countries, especially those in sub-Saharan Africa. The resources which could be used to promote the reform process and development were swallowed up by debt-servicing obligations.

101. The problems facing the commodity sector were of great concern to most developing countries. The international community must help correct the imperfections in the commodity markets and commit itself to supporting the commodity diversification programmes, including the establishment of financial mechanisms such as the proposed African diversification fund. He noted with regret that some of the development partners had shown reluctance to support the establishment of that fund.

102. In June 1996, the international community adopted by consensus the Habitat Agenda, which clearly demonstrated the concern shared by all countries about containing the scourge of poverty and deprivation and offering new hope. In that context, his delegation hoped that the current session of the General Assembly would adopt an institutional follow-up mechanism.

103. Achieving sustainable development and enhancing the environment were priority issues that affected economic growth and the well-being of peoples throughout the world. The global environmental deterioration had been the result of unsustainable consumption patterns and production processes, especially in the industrialized countries, which were responsible for the greater proportion of pollutant emissions, including toxic and hazardous wastes.

The developed countries had the capacity and the main responsibility to combat the global impact of such pollution.

104. Desertification and drought were another impediment to the development process in many developing countries, particularly those in Africa. The Convention to Combat Desertification, which 50 States had thus far signed and ratified, was a framework for joint action. The importance of the Convention could not be overemphasized, especially since it recognized the link between desertification, energy needs and poverty and the fact that, in order to deal with the problem of desertification comprehensively, the international community must first address the underlying problem of poverty. There was an urgent need therefore to redirect technology and resources to meet energy needs in the developing world.

105. The mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s, which had concluded the previous month, had showed that many of the critical social and economic problems that had led to the adoption of the Agenda still existed and had worsened in some countries. The mid-term review had reaffirmed and underscored the mutuality of commitments and responsibilities as well as the need for urgent and concrete action on the part of Africa and the international community. The New Agenda was a framework for a global partnership, which required collective political will in order to work. In conclusion, he emphasized that for Africa to sustain recovery and growth, the developed countries should complement Africa's development efforts. That could be done by reorienting a significant proportion of aid flows towards activities aimed at facilitating Africa's entry into the world economy.

106. Mr. ZULU (International Monetary Fund (IMF)) said that major decisions had been taken at the meetings at the end of September by the Interim Committee of the IMF Board of Governors, which played a strategic policy-making role in the institution by providing member countries with clearer guidance on the policy strategy of sustained growth with price stability and by underscoring the importance of transparency in the formulation and management of economic policies. The first decision was linked to the issue of external debt. In order to help solve that problem, IMF would provide the heavily indebted poor countries, within the framework of the Enhanced Structural Adjustment Facility, with grants or loans with extended maturities for debt servicing falling due to the Fund in order to reduce the current net value of that debt.

107. Another important step taken by the Interim Committee was the adoption of the Declaration on Partnership for Sustainable Global Growth. The Declaration was both a reaffirmation of the Declaration on Cooperation to Strengthen the Global Expansion, adopted two years earlier, and recognition of the need to update and broaden the earlier initiative in order to include structural issues and in light of other new challenges in a changing global environment. The Declaration on Partnership underscored that there was a need to provide well-targeted and affordable social safety nets by reducing unproductive spending, while ensuring adequate basic investment in infrastructure; that the sustainability of economic growth depended on the development of human resources; and that it was highly desirable to reform public pensions, employment insurance, social security and health systems in order to ensure their long-term viability. In that new framework, the old dichotomy of

characterizing structural adjustment programming as a concern only of developing countries was a thing of the past. The Declaration also discussed ways to promote good governance in all aspects, including tackling corruption, ensuring sound banking systems, and curbing money laundering.

108. He wished to mention a few highlights from the exchanges among the participants at the Annual Meetings. Firstly, it had been recognized that the relatively favourable economic situation was not a fortuitous outcome, but the product of many years of hard work and sacrifice in pursuit of sound economic policies at both the national and international levels. Governors from both industrialized and developing countries had acknowledged the benefits of macroeconomic stability and structural reform, while others had highlighted issues such as the importance of investing in health and education, the role of such investments in increasing social equity, and the link between social equity and the sustainability of the reform process. It had also been recognized that, ultimately, all countries were seeking similar goals and that each country therefore had a stake in the success of all the others.

109. With regard to the possibility of selling a limited amount of IMF gold, he said that the Fund's Executive Board was committed to securing, by means of the usual financing methods, the resources for financing the Enhanced Structural Adjustment Facility that were necessary in order to ensure its continuation and the Fund's participation in the initiative concerning the heavily indebted poor countries. If the need arose and bilateral sources were exhausted, IMF must be prepared to optimize the use of its resources, which could entail the sale of some gold. In any event, it was premature to say whether that need would arise since it would depend on the size of bilateral contributions and the rapidity with which potential recipient countries would seek assistance from that special fund.

110. In closing, he said that, although the current climate of stability and economic progress was promising, it would not be lasting unless it served to open opportunities for all persons and that the crucial link between economic and social development and the efforts to enhance the dignity of mankind made the Fund's work a truly meaningful task.

111. Mr. SFEIR-YOUNIS (World Bank) said that in 1996 the World Bank and the International Development Association (IDA) had together granted loans worth $21 billion divided among 256 projects. Most of that amount had been earmarked for the electricity, transportation and agriculture sectors. The Bank's lending programme was structured in three main areas: the first was investment in people and human resource development. Over the past 10 years, that had been the area which had undergone the greatest growth, and the Bank had become the world's largest source of external financing for the development of human resources. In 1996 that area had included loans worth $700 million for education and loans worth $2 billion for health care, and also new initiatives in the spheres of unemployment subsidies, the establishment and maintenance of social security networks and the promotion of equality between men and women in national and regional strategies.

112. Another important area of the World Bank's lending programme was projects designed to promote environmentally sound and socially sustainable development.

In 1996, $1.6 billion had been allocated to 20 new projects under that heading and since 1987 the Bank's lending programme in the sphere of the environment had grown to nearly $11 billion for 153 projects. The composition of those loans had been changed to take into account the environmental consequences of rapid urban growth and a renewed commitment to the solution of environmental problems in rural areas.

113. With regard to Bank loans for the development of the private sector, in 1996 an increase was envisaged to an amount of $6 billion for spheres which seemed to offer more favourable possibilities, through the implementation of 51 projects on the development of the financial sector and the banking sector, energy, telecommunications, industry and mining, among other sectors.

114. On the question of debt, the World Bank, IMF and other donors had agreed on a programme to combat that problem. Furthermore, the Development Committee had approved an instrument known as the Heavily Indebted Poor Countries Trust Fund, which had a balance of $500 million. Mechanisms had also been approved for using the Paris Club to take up issues of bilateral aid and related matters at the international level. The Development Committee had also considered the increasingly broad functions of the Multilateral Investment Guarantee Agency (MIGA).

115. The question of poverty alleviation had been the subject of broad debate and a programme had been drawn up in that sphere which would have repercussions on gender issues and rural development during the next century.

116. Mr. WINNICK (United States of America) said that it was significant that attention was being paid to social development issues in the debates of IMF and especially its Interim Committee, which was a bastion of the international financial system. In that respect, he asked what influence the work of the United Nations and, especially, a meeting like the World Summit for Social Development, had on the activities of IMF. He also asked whether the representative of the World Bank could make available the document on the multilateral trust fund so that it could be circulated as a United Nations document and taken up by the Committee.

117. Mr. KERPENS (Suriname) and Mr. GRANT (Ireland) said that they supported the request that a document expanding on the information provided by the representative of the World Bank should be circulated among delegations.

118. Mr. OJIMBA (Nigeria) said that the representatives of IMF and the World Bank should be invited to make fuller statements to the Committee.

119. The CHAIRMAN said that because of time limitations and the need to allow the exercise of the right of reply, it had been necessary to limit the length of the statements by the representatives of IMF and the World Bank, but that an informal meeting would be arranged so that delegations could receive more information about the Bretton Woods institutions and, in particular, on the conclusions of the Joint Ministerial Committee of the Boards of Governors of the Bank and on those of the fund for the transfer of real resources to developing countries (Development Committee).

120. Mr. ZULU (International Monetary Fund), replying to the representative of the United States of America, said that over the past five years IMF had paid constant attention to the social dimension, and the World Summit for Social Development had simply added impetus to IMF activities in that sphere. In that respect, IMF had paid a great deal of attention to public finances in order to increase and safeguard expenditure on education, health and other similar sectors. It had also carried out studies on income distribution, a new area in which IMF assigned important functions to the various sectors of society and ensured that the policies which were applied to countries took into account the income distribution situation in each case.

121. Mr. SFEIR-YOUNIS (World Bank) said that a document containing detailed information on the new multilateral trust fund was available to delegations.

122. Mr. BURHAN (Turkey), speaking in exercise of the right of reply, said that the Permanent Representative of the Turkish Republic of Northern Cyprus would make an appropriate response to the comments made earlier at the meeting.

123. Mr. THEOPHYLACTOU (Cyprus), speaking in exercise of the right of reply, said that the person named by the previous speaker was not entitled to speak in the Committee, and that the entity he had mentioned was not recognized by any country except Turkey.

124. Mr. BURHAN (Turkey) said that the letter from the Permanent Representative of the Turkish Republic of Northern Cyprus would be circulated as an official document of the United Nations.

125. Mr. THEOPHYLACTOU (Cyprus) said that the alleged republic was not recognized by any United Nations body, and referred to Security Council resolution 541 (1983) which called upon all States not to recognize any occupying regime in Cyprus.

The meeting rose at 6.15 p.m.